GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:3813
ANSWERED ON:16.05.2006
EXPORT OF COTTON
Ahir Shri Hansraj Gangaram

Will the Minister of TEXTILES be pleased to state:

(a) whether the Maharashtra State Cotton Federation has sought permission from Union Government for export of the cotton bales;

(b) if so, the reaction of the Union Government thereto.

(c) whether there is huge scope to export cotton from India as the international cotton market is facing shortage of cotton this year; and

(d) if so, the steps being taken by the Government to maximise export of cotton?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) & (b): As per the policy guidelines in force the cotton exports from the country are under Open General Licence (OGL) and any one including Maharashtra Federation can export cotton without any restrictions. No special permission is required for the purpose.

(c) & (d): Due to wide gap between its production and consumption levels, China (Mainland) needs to import huge quantities of cotton and it offers good opportunities for increased exports from India. In order to increase exports, an incentive of 1% duty drawback is payable on shipped quantity of cotton from India since 2004-05 cotton season.